

PARTNERS VALUE FUND

Portfolio Managers: Wally Weitz, CFA, Brad Hinton, CFA, and Drew Weitz

Investment Style: Multi-Cap Value

The Partners Value Fund's Institutional Class returned -8.68% for the first quarter compared to -4.60% for the S&P 500 and -5.28% for the Russell 3000. For the fiscal year ended March 31, 2022, the Fund's Institutional Class returned +4.35% compared to +15.65% for the S&P 500 and +11.92% for the Russell 3000.

It was a challenging and disappointing start to the year for the Fund. The crosswinds we discussed in recent quarters gathered intensity, to put it mildly. Investors are facing a ground war in Europe, broad-based and persistent inflation, a prominent shift in domestic monetary policy from easing to tightening, continued dysfunctional fiscal policy debates in Washington, and so on. Uncertainty is high. Given this set of conditions, the stock market has been reasonably resilient.

Businesses are generally reporting solid financial results, at least so far, and they are adapting fluidly to rapidly evolving conditions. Our company value estimates are mostly steady or increasing, with a few notable exceptions. Their stock prices are another story. Seventeen of the Fund's positions endured double-digit price declines in the quarter. While Meta Platforms – formerly Facebook – was the highest-profile detractor, most of the markdowns were concentrated in our mid-cap holdings.

When we combine lower stock prices with stable-to-higher business values, the outlook for future returns brightens. Of course, we need to be right about our value estimates, and macro risks to earnings are elevated, to be sure. Still, our team estimates that the portfolio trades at a price-to-value in the low 80s, which provides a healthy cushion against near-term forecasting errors. As valuation-sensitive investors, we like our hand.

Berkshire Hathaway, Markel, Aon plc, Charles Schwab, and Visa were the Fund's largest quarterly contributors. These financial stocks served as life rafts in otherwise choppy market waters. Meta Platforms, CarMax, Liberty Broadband, Axalta Coating Systems, and LKQ were the Fund's largest quarterly detractors. But the bigger story is the long tail of detractors that further impacted quarterly results. In insurance parlance, frequency was as relevant as severity. The silver lining is that we think these declines will prove to be temporary rather than permanent.

The Fund's financial stocks delivered exceptional fiscal year gains. Berkshire Hathaway, Aon plc, Charles Schwab, and Markel joined familiar face Alphabet as top contributors. Each posted robust returns on hefty position sizes, driving strong “slugging percentages” for the portfolio. We trimmed our Schwab and Aon holdings as their stocks traded near our value estimates. This activity reflected our valuation discipline, which is to, as the old saying goes, methodically “sell the dear and buy the cheap” to improve the Fund's return potential.

CarMax, Meta Platforms, Liberty Latin America, CoStar Group, and MarketAxess Holdings were the Fund's largest fiscal-year detractors. CarMax, Meta, and CoStar are among our highest conviction positions, and we added to each during the quarter at attractive prices. Liberty Latin America has a “whippy” (frequently changing direction) stock that is often more volatile than the revenues and margins of the underlying business. And while our value estimate for MarketAxess declined considerably, our thesis and the company's critical role in electronic bond trading for the next decade remain intact.

We added a new position in Gartner as tech-adjacent stocks continued their fall from grace during the quarter. Gartner is the leading provider of subscription-based research services to IT and business professionals (think C-suite executives, among others). The company has an attractive “create once, sell many times” business model that should sound familiar to long-time Fund investors. While Gartner does not scream “cheap” on current earnings, we are drawn to the company's durability, business momentum, and extended glide path of capital-light, double-digit revenue, and cash flow growth potential.

We believe that investing in businesses of all sizes, using our Quality at a Discount framework, is an enduring advantage of a multi-cap strategy. Recent mid-cap additions such as Gartner, AutoZone, Dun & Bradstreet, First Republic Bank, HEICO, IDEX, and MarketAxess align with our collective vision for a successful “go anywhere” equity portfolio. If 2022's early volatility continues, we think active managers with a broad mandate will have even more opportunities to add value and earn their keep.

Valuation remains our North Star, and we think our stocks are reasonably priced. Business value growth has been solid and generally encouraging. As mentioned, our current estimate is that the portfolio trades at a price-to-value in the mid-80s – a level that suggests ample long-term return potential from both our mid- and large-cap holdings.

WEITZ INVESTMENT INSIGHTS

VALUE MATTERS:

Eyes on the Prize

The Russian invasion of Ukraine, ongoing supply chain disruptions, and skyrocketing inflation all made for an eventful quarter and interesting investing landscape. And while 2022 is already proving to be the “adventure” we expected, we believe it will ultimately create opportunities that can benefit our investors over the long run.

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Top Relative Contributors and Detractors

For the QUARTER ending 03/31/2022

TOP CONTRIBUTORS				
	Return (%)	Average Weight (%)	Contribution (%)	% of Net Assets
Berkshire Hathaway Inc. Class B (BRK.B)	18.03	6.41	1.06	7.1
Markel Corporation (MKL)	19.55	3.71	0.74	4.3
Aon PLC (AON)	8.44	3.60	0.31	3.3
The Charles Schwab Corp. (SCHW)	0.18	3.22	0.17	2.9
Visa, Inc. (V)	2.52	3.97	0.11	4.1

TOP DETRACTORS				
	Return (%)	Average Weight (%)	Contribution (%)	% of Net Assets
Meta Platforms, Inc. (FB)	-34.18	3.11	-1.19	3.2
CarMax, Inc. (KMX)	-25.89	3.37	-0.94	3.1
Liberty Broadband Corp. – Class A & C (LBDRA/K)	-17.10	5.30	-0.60	4.3
Axalta Coating Systems Ltd (AXTA)	-25.79	2.60	-0.81	2.3
LKQ Corp. (LKQ)	-24.04	2.94	-0.80	2.6

Holdings are subject to change and may not be representative of the Fund's current or future investments. Contributions to performance are based on actual daily holdings. Returns shown are the actual returns for the specified period of the security. Additional securities referenced herein as a percent of the Fund's net assets as of 03/31/2022: Alphabet Inc. – Class C (GOOG) 8.2%, AutoZone, Inc. (AZO) 2.2%, CoStar Group, Inc. (CSGP) 4.4%, Dun & Bradstreet Holdings, Inc. (DNB) 1.8%, First Republic Bank (FRC) 2.1%, Gartner, Inc. (IT) 1.6%, HEICO Corp. – Class A (HEI) 3.1%, IDEX Corp. (IEX) 1.5%, Liberty Latin America Ltd. – Class C (LILAK) 2.4%, MarketAxess Holdings, Inc. (MKTX) 1.7%.

Average Annual Total Returns (%)

AS OF 03/31/2022									
	YTD	1 YR	3 YR	5 YR	10 YR	Since Fund Inception	Inception Date	Net Expense	Gross Expense
Partners Value Fund - Investor (WPVLX)	-8.71	4.13	11.95	8.44	8.77	11.49	06/01/1983*	1.07%	1.07%
Partners Value Fund - Institutional (WPVIX)	-8.68	4.35	12.19	8.69	8.96	11.54	07/31/2014	0.89%	0.89%
Russell 3000®	-5.28	11.92	18.22	15.39	14.28	11.29	-	-	-
S&P 500®	-4.60	15.65	18.91	15.98	14.62	11.88	-	-	-

*Denotes the Funds inception date and the date from which Since Inception Performance is calculated.

The opinions expressed are those of Weitz Investment Management and are not meant as investment advice or to predict or project the future performance of any investment product. The opinions are current through 04/21/2022, are subject to change at any time based on market and other current conditions, and no forecasts can be guaranteed. This commentary is being provided as a general source of information and is not intended as a recommendation to purchase, sell, or hold any specific security or to engage in any investment strategy. Investment decisions should always be made based on an investor's specific objectives, financial needs, risk tolerance and time horizon.

Data quoted is past performance and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate, and shares, when redeemed, may be worth more or less than their original cost. Please visit weitzinvestments.com for the most recent month-end performance.

Investment results reflect applicable fees and expenses and assume all distributions are reinvested but do not reflect the deduction of taxes an investor would pay on distributions or share redemptions. Net and Gross Expense Ratios are as of the Fund's most recent prospectus. Certain Funds have entered into fee waiver and/or expense reimbursement arrangements with the Investment Advisor. In these cases, the Advisor has contractually agreed to waive a portion of the Advisor's fee and reimburse certain expenses (excluding taxes, interest, brokerage costs, acquired fund fees and expenses and extraordinary expenses) to limit the total annual fund operating expenses of the Class's average daily net assets through 07/31/2022.

The Net Expense Ratio reflects the total annual operating expenses of the Fund after taking into account any such fee waiver and/or expense reimbursement, if any; total returns would have been lower had there been no waivers or reimbursements.

On 12/31/1993, Partners Value Fund succeeded to substantially all of the assets of Weitz Partners II Limited Partnership. The investment objectives, policies and restrictions of the Fund is materially equivalent to those of the Partnership, and the Partnership was managed at all times with full investment authority by the Investment Adviser. The performance information includes performance for the Partnership. The Partnership was not registered under the Investment Company Act of 1940 and, therefore, were not subject to certain investment or other restrictions or requirements imposed by the 1940 Act or the Internal Revenue Code. If the Partnership had been registered under the 1940 Act, the Partnership's performance might have been adversely affected.

Performance quoted for Institutional Class shares before their inception is derived from the historical performance of the Investor Class shares and has not been adjusted for the expenses of the Institutional Class shares, had they, returns would have been different.

Index performance is hypothetical and is shown for illustrative purposes only. You cannot invest directly in an index. The **Russell 3000** measures the performance of the largest 3,000 U.S. companies representing approximately 98% of the investable U.S. equity market. The **S&P 500** is an unmanaged index consisting of 500 companies generally representative of the market for the stocks of large-size U.S. companies.

1Q 2022

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Consider these risks before investing: All investments involve risks, including possible loss of principal. These risks include market risks, such as political, regulatory, economic, social and health risks (including the risks presented by the spread of infectious diseases). In addition, because the Fund may have a more concentrated portfolio than certain other mutual funds, the performance of each holding in the Fund has a greater impact upon the overall portfolio, which increases risk. See the Fund's prospectus for a further discussion of risks related to the Fund.

Investors should consider carefully the investment objectives, risks, and charges and expenses of a fund before investing. This and other important information is contained in the prospectus and summary prospectus, which may be obtained at weitzinvestments.com or from a financial advisor. Please read the prospectus carefully before investing.

Weitz Securities, Inc. is the distributor of the Weitz Funds.